



September 3, 2003

The Honorable Jim DeMint
United States House of Representatives
432 Cannon House Office Building
Washington, DC 20515

Dear Congressman DeMint:

On behalf of the 350,000 members of the National Taxpayers Union (NTU), I write to offer our support for your effort to reform and simplify the Tax Code as embodied in the "Tax Reform Action Commission" (TRAC) Act. Today, income taxes are more complicated than ever and the rules alone occupy 45,000 pages. NTU found that in 2002, form 1040 preparation and record keeping, including commonly used schedules, took 28 hours, six minutes for the average taxpayer to complete. That's an increase of more than an hour compared with last year and 40 percent more time-consuming than in 1997.

Your important legislation would establish a bipartisan Commission of 15 members with the objective of recommending changes to the Tax Code based upon simplicity, fairness, and neutrality. Notably, the recommendations of the TRAC Commission will not simply be ignored after they are published because they will be formulated into a bill for submission to Congress. The bill will be subject to special rules in both the House and Senate to ensure consideration within a reasonable time. In other words, the passage of TRAC Commission legislation will ensure that tax reform is at the top of Congress's agenda this year.

Given a struggling economy and recent budgetary shortfalls, it is more vital than ever to relieve taxpayers of the \$200 billion annual burden of complying with the Tax Code's rules and regulations. Eliminating even a portion of these inefficiency costs could jump-start the nation's economic growth. Additionally, a simpler Tax Code would increase compliance, thus adding another \$200 billion in previously uncollected revenue to the nation's treasury.

Serious tax reform is long overdue. Russia has used a flat tax to get its economy moving and several other former eastern-bloc nations have simpler tax laws than the United States. It is time to modernize the Tax Code, and the TRAC Act is a good start. NTU calls on all Members of Congress to support fundamental tax reform and the TRAC Act.

Sincerely,

A handwritten signature in dark ink that reads "Paul J. Gessing". The signature is written in a cursive, flowing style.

Paul J. Gessing
Director of Government Affairs